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10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION
13

14 IN THE MATTER OF THE SEARCH OF
15 CONTENT STORED AT PREMISES
16 CONTROLLED BY GOOGLE, INC. AND
17 FURTHER DESCRIBED IN ATTACHMENT
18 A
19
20

No.: 16-MC-80263 LB/WHA
NOTICE OF POTENTIALLY RELATED CASES
Court: Honorable William Alsup

21
22 UNITED STATES OF AMERICA,

23 v.

24 BTC-E, and
25 ALEXANDER VINNIK,

26 Defendants.
27
28

No.: CR 16-0227 RS

Court: Honorable Richard Seeborg

FILED EX PARTE AND UNDER SEAL

FILED

MAY 17 2017

SUSAN Y. SOONG
CLERK, U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

Q-mto

1 The United States of America, pursuant to Local Criminal Rule 8-1, hereby notifies the Court
2 that the more recent case, No. 16-mc-80263 LB/WHA, could be deemed by the Court to be related to
3 existing case CR-16-0227 RS, under the Local Rule. Because description of the nature of the related
4 matters will require discussion of the earlier case, the government hereby requests to provide the Court
5 this justification for the related notice under seal, ex parte, and in camera.

6 The more recent case involves litigation stemming from a search warrant issued to Google,
7 Inc., in June of 2016 for production of emails in connection with the ongoing investigation that led to
8 the indictment of BTC-E and Alexander Vinnik, No. CR-16-0227 RS. The existing case involves
9 money laundering through use of the digital currency Bitcoin. BTC-E is suspected to currently be
10 the most prolific launderer of digital currency in the world. The case also involves operating BTC-E
11 as an unlicensed money business by exchanging Bitcoin and other digital currency without proper
12 registration and compliance with FinCEN. Finally, the case involves laundering of funds by Vinnik
13 taken by fraud from another Bitcoin exchange, Mt. Gox.

14 In the later litigation, the government had sought and obtained search warrants issued to
15 Google to further the government's investigation into BTC-E, Vinnik, and its suspected operators
16 and beneficiaries. Google has refused to comply, claiming that data the government seeks is stored
17 extraterritorially and, therefore, outside the reach of the Stored Communications Act. Google moved
18 to quash the warrant and the government opposed the motion to quash and moved for sanctions.
19 Magistrate Judge Beeler ordered Google to produce the data. Google filed the current motion, an
20 appeal of Magistrate Judge Beeler, to a District Judge pursuant to Fed. R. Civ. P. 72(b). Based upon
21 these facts, the more recent case could be deemed to be related within the meaning of Local Rule 8-
22 1(b)(1) as they involve some of the same alleged factual events and occurrences.

23 Additionally, the government believes that these cases may involve additional costs if not related,
24 because Judge Seeborg will presumably adjudicate the criminal case against BTC-E, Vinnik, and
25 potentially others. In that context, Judge Seeborg will likely rule on motions to suppress any data
26 produced pursuant to this litigation and the admissibility of data from that production.
27
28

Given the foregoing, the government hereby gives notice that the Court could relate these cases pursuant to the Local Rule. Because of the nature of the case against BTC-E and Vinnik – the Grand Jury indicted both defendants, but the superseding indictment is under seal and neither BTC-E nor Vinnik nor anyone other than the Court and the government are aware that they are the subject of federal charges – the government hereby moves for the Court to file this matter ex parte and UNDER SEAL until further order of the Court. The government further requests that the Court not issue any public order that reveals the government’s targets or the subject matter of the search warrants in any way.

DATED: May 15, 2017

Respectfully submitted,

BRIAN J. STRETCH
United States Attorney

WILLIAM FRENTZEN
Assistant United States Attorney

IT IS HEREBY ORDERED, that due to the nature of the matters addressed this Motion and any resulting Order shall be filed and maintained ex parte and UNDER SEAL, until further Order of the Court.

SO ORDERED, this 16th day of May, 2017.

HON. RICHARD SEEBORG/WILLIAM ALSUP
UNITED STATES DISTRICT JUDGE

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

USA,

Plaintiff,

v.

BTC-E, AND ALEXANDER VINNIK,

Defendant.

Case No.16-cr-0227 RS

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that I am an employee in the Office of the Clerk, U.S. District Court, Northern District of California.

That on 5/17/2017, I SERVED a true and correct copy(ies) of the attached, by placing said copy(ies) in a postage paid envelope addressed to the person(s) hereinafter listed, by depositing said envelope in the U.S. Mail, or by placing said copy(ies) into an inter-office delivery receptacle located in the Clerk's office.

William Frentzen
U.S. Attorney's Office
450 Golden Gate Avenue
San Francisco, CA 94102

Dated: 5/17/2017

Susan Y. Soong
Clerk, United States District Court

Corinne Lew

By: _____
Corinne Lew, Deputy Clerk to the
Honorable RICHARD SEEBORG

United States District Court
Northern District of California